

SENATE BILL REPORT

SB 5589

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 22, 1995

Title: An act relating to the minimum hourly wage.

Brief Description: Increasing the hourly minimum wage.

Sponsors: Senators Pelz, Prentice, Spanel, Smith, Franklin, Kohl, Quigley, Fairley, Heavey and Fraser.

Brief History:

Committee Activity: Labor, Commerce & Trade: 2/14/95, 2/22/95 [DP, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Franklin, Fraser and Wojahn.

Minority Report: Do not pass.

Signed by Senators Deccio, Hale and Newhouse.

Staff: Jonathan Seib (786-7427)

Background: Since January 1, 1994, the state minimum wage for those 18 and older has been \$4.90 per hour. The minimum wage for those under 18 is established by the Department of Labor and Industries. For 16 and 17-year-olds, it is set at 100 percent of the wage required for those 18 and over. For those under 16, the wage is set at 85 percent of the wage required for those 18 and over (currently \$4.17). The federal minimum wage is \$4.25 per hour.

Summary of Bill: Effective January 1, 1996, the state minimum wage for those 18 and older is \$5.25 per hour. Effective January 1, 1997, the state minimum wage for those 18 and older is \$5.43 per hour. The minimum wage for those under 18 continues to be established by the Department of Labor and Industries.

Appropriation: None.

Fiscal Note: None requested.

Effective Date: Section 1 of the bill takes effect on January 1, 1996 and expires January 1, 1997. Section 2 of the bill takes effect January 1, 1997.

Testimony For: The current minimum wage is inadequate to support families. Studies in this state have shown an increase will have a minimal impact on available jobs. An increase

in the wage will allow these workers to be a bigger part of the economy, and is an essential component of welfare reform.

Testimony Against: Washington already has the second highest state minimum wage. An increase in the minimum wage will hurt those that it is intended to help because the number of hours that they are employed will decrease. If the bill is passed, it should include a tip credit and a subminimum wage for minors and for trainees.

Testified: PRO: Jeff Johnson, Washington State Labor Council; Lonnie Johns-Brown, Washington State NOW; Maura Donoghue, Campaign for Working Families; CON: Cliff Finch, Association of Washington Business; Jan Gee, Washington Retail Association; Kit Hawkins, Washington Restaurant Association.